



CHINESE COMMUNIST PARTY PURCHASE OF AMERICAN LAND

The Chinese Communist Party (CCP) has been purchasing American land at an alarming rate. According to the Department of Agriculture (USDA), from 2010 to 2020, the CCP increased its stake in American farmland 23-fold.¹ The CCP increased foreign farmland holdings by 1,000% in the past few years, including 1,300 foreign egg processing facilities.²

Current law requires tracking farmland purchases from foreign investors through self-reported data to the Farm Service Agency.³ However, USDA and the Government Accountability Office (GAO) often lack the resources to verify and monitor many of these transactions, leading to incomplete or inaccurate data and limited transparency, which can hide the true nationality of a buyer.⁴ Allowing an adversary to control an increasing share of our agricultural land provides reasons for concern regarding domestic food supply and our national security.

BACKGROUND

- **Food Security**
 - Currently, Chinese landowners control approximately 383,000 acres of American agricultural land.⁵
 - Domestic control of our food supply is essential to American prosperity. Under the Biden administration, Americans have experienced nearly 20% food inflation.⁶ Changes to our supply chain significantly impact what American families pay for groceries at the store. Allowing the CCP to control significant acres of farmland for food production and significant parts of our food processing and distribution systems means they could cause disruptions in our food supply and economy.
 - Smithfield Foods, which employs 40,000 workers, owns 500 American farms, and works with 2,000 more local hog farmers, is owned by a Chinese food processing company.⁷ All Chinese businesses must cooperate with the CCP, creating troubling possibilities for our food supply and American workers if the United States and China were in direct conflict.
- **National Security**
 - Land owned by individuals affiliated with the Chinese government gives the CCP a strategic foothold on American soil to potentially conduct surveillance of critical assets under the guise of agriculture purchases.
 - Since 2017, American intelligence has been more thorough in investigating Chinese land acquisitions near critical national infrastructure. However, previous land purchases have not undergone adequate review to ensure that intelligence-gathering devices have not been installed.⁸
 - The CCP has sought to acquire land near the United States' crucial military and strategic areas.
 - For example, Fufeng Group, a China-based chemical manufacturing company, recently bought 300 acres of land for a corn mill in Grand Forks, North Dakota. This plot of land is approximately 12 miles from Grand Forks Air Force Base, home to some of the top United States intelligence, surveillance, and reconnaissance capabilities.⁹ The Grand Forks City Council recently terminated the project after the Air Force declared the project a security risk.^{10 11}
 - A Chinese billionaire, Sun Guangxin, purchased over 130,000 acres near Laughlin Air Force Base in Texas, right along the Mexico border. This land hosts a wind farm project which could disrupt the

state's electrical system due to its connection with the Texas grid.¹² Mr. Guangxin's close ties to the CCP have been well documented.¹³

POLICY SOLUTIONS

- Congress should implement restrictions on hostile foreign powers purchasing land, especially land critical to national security and agriculture. In the case of China, the line between government and corporate interests is very blurry, so strict policy is needed. Legislation such as the *Securing America's Land from Foreign Interference Act*, which prohibits members of the CCP and entities owned, controlled, or influenced by the party from purchasing real estate located in the United States, should be enacted.¹⁴
- Much like what was done with the Soviet Union during the Cold War, America should halt the spread of Chinese influence. The strategy of the CCP is to increase worldwide dependence on their infrastructure, financing, and goods and services. In addition, they seek to leverage worldwide resources to build and preserve their strength. Unfortunately, they have already made much headway into South America, becoming the continent's largest trading partner. Brazil sends 30% of all its exports to China.¹⁵ To prevent this in the United States, Congress should enact legislation similar to the *Countering Chinese Propaganda Act*, which imposes sanctions on entities that knowingly commit malign disinformation on behalf of a foreign government.¹⁶
- China's foreign policy strategy has been anchored by its plans to expand economic cooperation by producing international infrastructure. The United States must stop the slow creeping of influence that China achieves through global investment. Republicans in Congress must be leaders in preventing the spread of the CCP's ownership of American land and ensuring we are not dependent on China with our infrastructure. Congress should pass the *Stop CCP Infrastructure Act* to prohibit Chinese entities from receiving federal funds for public works projects in the United States.¹⁷

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² Kayla Bailey. Experts sound alarm over China buying US land near military bases: 'Chilling.' Fox Business. <https://www.foxbusiness.com/politics/experts-sound-alarm-over-china-buying-us-land-near-military-bases-chilling>

³ Agricultural Foreign Investment Disclosure Act (AFIDA). U.S. Department of Agriculture. <https://www.fsa.usda.gov/programs-and-services/economic-and-policy-analysis/afida/>

⁴ Ellyn Ferguson. Gap in data complicates legislation to keep China off US farms. Roll Call. <https://rollcall.com/2023/03/15/gap-in-data-complicates-legislation-to-keep-china-off-us-farms/>

⁵ Kayla Bailey. Experts sound alarm over China buying US land near military bases: 'Chilling.' Fox Business. <https://www.foxbusiness.com/politics/experts-sound-alarm-over-china-buying-us-land-near-military-bases-chilling>

⁶ Consumer Price Index for All Urban Consumers: Food at Home in U.S. City Average. Federal Reserve Board of St. Louis. <https://fred.stlouisfed.org/series/CUSR0000SAF11>

⁷ Madeline Coggins. China can 'blight' US food production, expert warns. Fox Business. <https://www.foxbusiness.com/politics/china-blight-us-food-production-expert-warns>

⁸ James Carafano, Michael Pillsbury, Jeff Smith, Andrew Harding. Winning the New Cold War: A Plan for Countering China. The Heritage Foundation. <https://www.heritage.org/asia/report/winning-the-new-cold-war-plan-countering-china>

⁹ Lauren Greenwood. China's Interests in U.S. Agriculture: Augmenting Food Security through Investment Abroad. U.S.-China Economic and Security Review Commission. https://www.uscc.gov/sites/default/files/2022-05/Chinas_Interests_in_U.S._Agriculture.pdf

¹⁰ Kristina Peterson. North Dakota Turns Against Chinese Corn Mill Project. The Wall Street Journal. <https://www.wsj.com/articles/north-dakota-turns-against-chinese-corn-mill-project-11675208069>

¹¹ Justin Betti. Grand Forks officially cancels Fufeng Project. Valley News Live. <https://www.valleynewslive.com/2023/02/07/grand-forks-officially-cancels-fufeng-project/>

¹² Chuck DeVore. Letting China Purchase U.S. Land Poses An Even Bigger National Security Risk Than You Think. Texas Public Policy Foundation. <https://www.texaspolicy.com/letting-china-purchase-u-s-land-poses-an-even-bigger-national-security-risk-than-you-think/>

¹³ John Hyatt. Why A Secretive Chinese Billionaire Bought 140,000 Acres Of Land In Texas. Forbes. <https://www.forbes.com/sites/johnhyatt/2021/08/09/why-a-secretive-chinese-billionaire-bought-140000-acres-of-land-in-texas/>

¹⁴ H.R. 334 – Securing America's Land from Foreign Interference Act. 118th U.S. House of Representatives. <https://www.congress.gov/bill/118th-congress/house-bill/344>

¹⁵ Ciara Nugent, Charlie Campbell. The U.S. and China Are Battling for Influence in Latin America, and the Pandemic Has Raised the Stakes. Time. <https://time.com/5936037/us-china-latin-america-influence/>

¹⁶ H.R. 1214 – Countering Chinese Propaganda Act. 117th U.S. House of Representatives. <https://www.congress.gov/bill/117th-congress/house-bill/1214>

¹⁷ H.R. 748 – Stop CCP Infrastructure Act. 118th U.S. House of Representatives. <https://www.congress.gov/bill/118th-congress/house-bill/748>